

STATE OF INDIANA)
) SS:
COUNTY OF RIPLEY)

IN THE RIPLEY CIRCUIT COURT

AVC NO. 02-058

IN RE: XTREME TRAFFIC BUILDERS,)
 INC.,)
)
 Respondent.)

MISCELLANEOUS DOCKET
NO. 69C01-0212-MI-023

FILE
DEC 08 2002

ASSURANCE OF VOLUNTARY COMPLIANCE

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Roger D. Smith, and the Respondent, XTreme Traffic Builders, Inc., enter into an Assurance of Voluntary Compliance (Assurance), pursuant to Indiana Code §24-5-0.5-7.

Any violation of the terms of this Assurance constitutes prima facie evidence of a deceptive act. This Assurance is entered into without any adjudication of any issue of fact or law, and upon consent of the parties.

The parties agree:

1. Respondent is a foreign corporation engaged in conducting advertising promotions with a principal place of business at 3315 Algonquin Road, Suite 100, Rolling Meadows, Illinois, 60008.
2. The terms of this Assurance apply to and are binding upon Respondent, its employees, agents, representatives, successors, and assigns.
3. Respondent acknowledges the jurisdiction of the Consumer Protection Division of the Office of the Attorney General to investigate matters hereinafter described, pursuant to the authority of Ind. Code §4-6-9-4 and Ind. Code §24-5-0.5-1 et seq.

4. As part of its marketing practices, Respondent has conducted direct mail prize promotions and has, directly or indirectly, distributed promotional mailings to Indiana residents, including, but not limited to, a promotion for Tom Tepe Autocenter, Inc, of Milan, Indiana.

5. Respondent agrees, pursuant to Ind. Code §24-8-3-2, that each written promotional notice (hereinafter “notice”) distributed by or on behalf of Respondent shall contain the complete and correct name and address of the promoter and the sponsor of the promotion.

6. Respondent agrees, pursuant to Ind. Code §24-8-3-3, that any notice must state the verifiable retail value of each prize a participant has been awarded or may have been awarded.

7. Respondent agrees, pursuant to Ind. Code §24-8-3-4, that if an element of chance is involved, each notice must state the odds the participant has of receiving each prize.

- a. The statement of the odds must include, for each prize, the total number of prizes to be given away and the total number of notices distributed.
- b. The total number of notices must include all notices in which a prize may be given including notices for other sponsors.
- c. If the odds of winning a prize are not accurately stated on the basis of the number of notices, the odds shall be stated in a manner that will not deceive or mislead a participant regarding the participant’s chance of receiving a prize.

8. Respondent agrees, pursuant to Ind. Code §24-8-3-5(a), that the verifiable retail value and odds for each prize must be stated in immediate proximity with each listing of the prize in each place it appears in the notice.

9. Respondent agrees, pursuant to Ind. Code §24-8-3-5(b), that the verifiable retail value and odds for each prize must be listed in the same size type and boldness as the prize.

10. Respondent agrees, pursuant to Ind. Code §24-8-3-6, that if a person is required or invited to attend a sales presentation in order to claim any prize that has been or may have been awarded, the requirement or invitation will be disclosed to that person in the notice in at least ten (10) point boldface type on the first page of the notice.

11. Respondent agrees, pursuant to Ind. Code 24-8-3-7, that if the consumer is required to purchase additional goods or services, including shipping fees, handling fees, or any other charge, the requirement and additional cost to the person must be clearly disclosed on the first page of the notice.

a. The disclosures must be made by using the following appropriately completed statement: "You must pay \$ _____ in order to receive this item."

b. The disclosure statement must be in at least 10 point boldface type.

12. Respondent agrees, pursuant to Ind. Code §24-8-3-8, that any limitation on the eligibility of persons must be clearly disclosed in the notice in at least 10 point boldface type.

13. Respondent agrees, pursuant to Ind. Code §24-8-3-9, that if the prize will not be awarded or given if a winning ticket, token, number, lot or other device used to

determine winners in a particular promotion is not presented to a promoter or a sponsor, this fact will be clearly stated in the notice.

14. Respondent agrees, pursuant to Ind. Code §24-8-4-2, that a prize or a voucher, certificate or other evidence of obligation given instead of a prize will be given to a person at the time the person is informed of the prize, if any, the person will receive.

15. Respondent agrees, pursuant to Ind. Code §24-8-4-3, the notice will be returned to the person receiving the prize at the time the prize is awarded.

16. Respondent agrees, pursuant to Ind. Code §24-8-5-1(a), that if the prize described in the article is not available, the person who is to receive the prize will be given the option of choosing one (1) of the following:

- a. a prize of equal or greater value;
- b. the verifiable retail value of the prize in cash or by a valid check;
- c. a voucher, certificate, or other evidence of obligation stating that the prize will be shipped to the person within thirty (30) days at no cost to the person.

17. Respondent agrees, pursuant to Ind. Code §24-8-5-1(b), that if a voucher, certificate, or other evidence of obligation described above cannot be honored within thirty (30) days, the Respondent will mail to the person a valid check or money order for the verifiable retail value of the prize described in this article.

18. Respondent agrees, pursuant to Ind. Code §24-8-5-2, to honor a voucher, certificate, or other evidence of obligation if the person named as being responsible fails to honor the voucher, certificate, or other evidence of obligation.

19. Respondent, in soliciting and/or contracting with consumers, agrees to refrain from conducting any promotional activity in the State of Indiana unless those activities are in full compliance with the Promotional Gifts and Contests Act, Ind. Code §24-8-1-1 et seq.

20. Upon execution of this Assurance, Respondent shall pay costs in the amount of Three Hundred and 00/100 Dollars (\$300.00) to the Office of the Attorney General.

21. Respondent shall not represent that the Office of the Attorney General approves or endorses Respondent's past or future business practices, or that execution of this Assurance constitutes such approval or endorsement.

22. Respondent shall fully cooperate with the Office of the Attorney General in the resolution of any future written complaints the Consumer Protection Division receives.

23. The Office of the Attorney General shall file this Assurance with the Circuit Court of Ripley County. The Court's approval of this Assurance shall not act as a bar to any private right of action.

DATED this 25 day of December, 2002.

STATE OF INDIANA

RESPONDENT

STEVE CARTER
Attorney General of Indiana

XTREME TRAFFIC BUILDERS, INC.

By: Roger D. Smith
Roger D. Smith
Deputy Attorney General
Atty. No. 23152-49

By: Kelly Sullivan
Name: Kelly Sullivan
Title: office manager

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APPROVED this 9 day of Dec., 2002.

Carl Z. Taul
Judge, Ripley Circuit Court

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